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WG I D-84

February 27, 1958

EDAC Working Group I, International Export Control Systems

MEMORANDUM

TO : (1) Chairman, Working Group I Date: Feb. 25, 1958

FROM : [REDACTED] FOIAb3b No. 26792

SUBJECT: Procedure for Processing Applications for Treasury Transaction Control Licenses

In order to clarify some uncertainties which seem to have arisen with regard to the method of processing applications for Treasury Transaction Control licenses, there is described below the procedure now being followed. It has been our understanding that this procedure is agreeable to all interested parties:

(a) Where the application on its face involves commodities which are obviously not subject to the Treasury Regulations (i.e. are not on the Positive List and identified thereon by the letter "A"), the Treasury (after an informal telephone check with a BFC licensing officer to confirm this opinion) returns the application and advises the applicant that no license is necessary. No memorandum is sent to Working Group I or to [REDACTED] FOIAb3b

(b) Where the application involves commodities which are obviously subject to the Regulations but which are self-evidently of small value and little significance, (e.g. passenger car bearings valued at less than \$100), the Treasury grants the license without prior discussion with Working Group I or [REDACTED] The Treasury FOIAb3b does, however, obtain an informal confirmation from a BFC licensing officer that the transaction has little significance and does notify the Working Group on an ex post facto basis.

(c) Where the application involves commodities whose rating is not obvious on the face of the application, the Treasury sends a memorandum to [REDACTED] requesting advice as to the rating of the item, with a carbon copy to [REDACTED] To save time, a similar memorandum is sent to Working Group I to provide a basis for consideration by the Group if that becomes necessary in due course, as indicated in subparagraph (ii) below.

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(1) If [REDACTED] reply indicates that the item is not on the Positive List, identified thereon by the letter "A", the Treasury will return the application and advise the applicant that no license is necessary. A copy of [REDACTED] FOIAb3b reply should be sent to [REDACTED], who will inform Working Group I that the case should not be put on the agenda.

FOIAb3b (ii) If [REDACTED] reply indicates that the item is on the Positive List identified by the letter "A", Working Group I is asked by the Treasury to place the case on its next agenda on the basis of the memorandum previously submitted. The Working Group is asked to provide the Treasury with its views as to whether the license should be granted or denied.

FOIAb3b (d) Where the application on its face involves commodities which are obviously on the Positive List identified by the letter "A", a memorandum describing the application is sent to Working Group I with a copy to [REDACTED] for information. The Group is requested to place the case on its agenda without awaiting [REDACTED] advice FOIAb3b to Treasury as to the strategic rating of the item.

If the procedure outlined above does not provide a satisfactory basis for processing of these applications, we would appreciate being advised of any changes which seem desirable.

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